

## **MINUTES**

### **MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION FREE CONFERENCE COMMITTEE ON HOUSE BILL 5**

**Call to Order:** By **CHAIRMAN BILL TASH**, on April 19, 2001 at 7:00 P.M., in Room 317-C Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bill Tash, Chairman (R)  
Rep. Steve Vick, Chairman (R)  
Rep. John Brueggeman (R)  
Rep. Matt McCann (D)  
Sen. Corey Stapleton (R)  
Sen. Jon Tester (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Prudence Gildroy, Committee Secretary  
Melissa Rasmussen, Transcriber

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:** HB 5

#### **Discussion:**

**CHAIRMAN BILL TASH** explained that there were reservations about signing the previous committee report.

**REP. STEVE VICK** expressed his dissatisfaction regarding the discussion by the committee of the operation and maintenance of the church. He explained that the University of Montana had \$71.5 million dollars worth of authority only projects, and the money had not been raised or construction had not started. It was his opinion that the committee needed to get a handle on how much spending authority they gave the university. He informed the committee that he would like the university to voluntarily give up some of the authority.

**CHAIRMAN TASH** stated he knew **REP. MATT MCCANN** had brought up the question when he had presented the bill to Senate Finance.

**REP. MCCANN** agreed that **REP. VICK** was onto something. He said it was a unique to the University of Montana. MSU Bozeman only had the authority to examine the construction of the Gaines Chemistry Building. He believed that the U of M would come forth with projects, but there needed to be an organization to determine what the priorities should be. One major concern was the operations and maintenance would exceed the costs of the project. He argued that if the legislature released the authority, they would stand behind them with the O & M or not do the project.

**Tom O'Connell, Architecture & Engineering Division**, informed the committee that MSU had \$4.5 million dollars in authority left for the student center and offices. The outstanding authority would be the Gaines Hall project.

**REP. MCCANN** stated all authorities released by the Long Range Building Committee were with the understanding that the state would participate with the O & M. **Mr. O'Connell** said Yellow Bay and the Law Library were to pay their own O & M. **REP. MCCANN** included the Journalism Building.

**SEN. COREY STAPLETON** asked for clarification as to what exactly the committee was doing. What was the objective.

**REP. VICK** said the objective is to reduce some of the authority and address the operation and maintenance of the chapel.

**Jane Hamman, OBPP**, declared that the prison chapel's operation and maintenance were included in their budget. The buildings would also be used for other purposes. The chapel would be treated equitably with other chapels that had been funded.

**SEN. TASH** stated that was his understanding. Bringing the chapel on was to be consistent with what had been done with other chapels.

**Motion/Vote:** **SEN. STAPLETON** moved to accept the language "**THE LEGISLATURE CONSENTS TO THE CONSTRUCTION OF THE GOOD SHEPHERD CHAPEL AT THE MONTANA DEPARTMENTAL CENTER IN BOULDER. THE FUNDS OF THE CONSTRUCTION OF THE CHAPEL WOULD BE EXEMPT FROM THE PROVISIONS IN TITLE 18.**" Motion carried unanimously

**REP. MCCANN** said the reason he told the committee about the authorities was because some people were uncomfortable with that information.

**REP. VICK** declared it would be his intent to remove authorities for the Fine Arts Museum or the Journalism Building.

**Bill Johnston, University of Montana**, stated that it looked like a lot of money, but the university had success in fund raising. Almost all of the buildings were built by donations from alumni and corporate gifts. If it was a student facility they look to the state to pay the operations and maintenance. He charged tuition pays 57% and general fund pays 43% of the operation and maintenance of student buildings.

**REP. VICK** declared the Life Science Building was approved in 1991 for \$12 million dollars. Last session it was raised to \$23 million dollars. He stated for ten years the university had the opportunity to raise money for that building. What the university is going to build for \$23 million they could have built for \$12 million in 1991. He charged that the university did not always have great success in raising money.

**Mr. Johnston** said that was true. He said President Dennison arrived in 1991. Not everyone was in place to raise money for the Life Science project and they felt the building was not what was needed. He stated there was a lead gift already committed for the building. He argued 90% of the funds come from 10% of the donors.

**REP. VICK** asked if there was a project the state was going to take away, which one would they recommend. **Mr. Johnston** said he could not make that decision without consulting with the President and the Dean. He understood the concerns about authority. He pledged to come back during the interim to discuss how the university works with their authority. He stated there has been some money raised for the Journalism Building.

**Motion:** **REP. VICK** moved to **REMOVE THE 12 MILLION DOLLAR AUTHORITY FOR THE JOURNALISM BUILDING.**

**Discussion:**

**SEN. JON TESTER** argued that would be a mistake to do on the 88<sup>th</sup> day. He stated they were bringing something up that U of M did not see coming. Many of the problems brought up by **REP. VICK** were Long Range Building Subcommittee issues. He charged that operations and maintenance for classroom buildings, up until this point, had been picked up by the state and the students pick up the rest. The spending authority issue should have been dealt with previously.

**REP. MCCANN** reinforced what **SEN. TESTER** said. He argued that time lines for authorities needed to be established.

**Mr. Johnston** stated that the university President felt there needed to be endorsement from the legislature before fund raising was started. They did not want to surprise anyone. These were needs that had been identified by the faculty and students.

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**SEN. STAPLETON** questioned what would be gained if the authority was left. **REP. VICK** said there was \$71.5 million dollars in authority projects and that would be reduced. **SEN. STAPLETON** asked if the purpose was to force them to concentrate on fewer projects. **REP. VICK** retorted that the university needs to limit the shotgun approach. Regarding the Journalism Building, the construction would be 10 percent of the long term costs. On a state funded project, the state pays 43 percent of the maintenance and students pay 57 percent. Every new building raises tuition. He charged it was the responsibility of the Legislature to take those factors into account. **SEN. STAPLETON** asked if there were ever other arrangements to pay for operation and maintenance. **REP. VICK** stated the Fine Arts Building was just authority. They would pay for operations and maintenance.

**Mr. Johnston** clarified that the museum has other sources of revenue, not just tuition. The journalism building would be 100% classroom and office space. It would be used by students, that is why the state would pay the operation and maintenance.

**SEN. STAPLETON** asked if the university could pay operation and maintenance through fund raising or other sources. **Mr. Johnston** said he would have to talk with the President.

**SEN. TASH** questioned if there were other ways to recover costs. **Mr. Johnston** said it was his understanding that people pay rent if they conduct a non-university sponsored activity.

**SEN. TESTER** declared that the School of Journalism was one of the top two in the United States. The new building would be beneficial to the program and to the state.

**SEN. STAPLETON** asked if there could be a substitute motion to grant them authority if they raise money to cover operation and maintenance costs.

**REP. MCCANN** declared that he once thought the same thing. However, something that relates directly to the classroom is a state obligation. If state grants the authority, the state

should stand behind the O & M; otherwise they should grant the authority. He thought the state should assume the full O & M on all the institutions.

**SEN. STAPLETON** asked if there was an urgency to build the School of Journalism. **REP. MCCANN** said he did not know. The Long Range Planning Committee did visit the journalism facility. They were housed in a building that was split between the forestry and journalism schools. **Mr. Johnston** declared that the major was capped. Currently they cannot accept new students. The journalism facility is split between two buildings across campus from each other. The new building would bring them together and allow for more students. **SEN. STAPLETON** asked if the buildings were old. **Mr. Johnston** told him the TV building was mid-80's and the print building was 1920's give or take ten years.

**REP. VICK** expressed his concern regarding decreasing enrollment in the schools. He argued there would be less demand for new buildings at the college level.

**REP. MCCANN** said that the law school was granted authority, but if they wanted the building they would have to find a way to pay for it. That was different than the School of Journalism.

**SEN. STAPLETON** declared his support for the motion and called for the question.

**Vote: Motion carried 4-2 with Tester and McCann voting no.**

**Mr. Johnston** asked if the university President would agree to fund all of the operation and maintenance, and if the authority could be reinstated.

**REP. VICK** expressed his reluctance to do that based on the concerns raised by **REP. MCCANN**.

**REP. MCCANN** stated that either they grant the authority and do the O & M, or they don't. Otherwise it sends a bad message to the students.

**SEN. TESTER** agreed. He stated that what just happened was unfair to the university basically without their input.

**REP. MCCANN** declared that yesterday the committee voted in a \$5 million dollar structure.

**SEN. TESTER** argued that was the problem with making a decision in the late hour. He charged that they should remove the \$5 million for the museum instead.

**SEN. STAPLETON** said the committee needed to make decisions and move on.

**REP. MCCANN** stated that MSU College of Technology at Billings was ahead of everyone else.

**Motion:** **REP. MCCANN** moved to **STRIKE THE CLASSROOM DESIGN FROM MSU COLLEGE OF TECHNOLOGY BILLINGS AND RETURN THE MONEY BACK TO THE LONG RANGE BUILDING ACCOUNT, PAGE 3, LINE 3.**

**Discussion:**

**REP. MCCANN** declared the reason was for issues previously discussed. He argued this was a subject that needed to be addressed during the interim.

**Vote:** Motion failed 4-2 with Tester, Stapleton voting no.

**Motion:** **REP. VICK** moved **HB 5 BE CONCURRED IN AS AMENDED.**

**Discussion:**

**REP. MCCANN** asked if money was put into the Billings College of Technology, if Great Falls deserved money for their project.

**REP. VICK** said he did not remember the discussion about the colleges.

**SEN. TESTER** agreed with **REP. VICK**; he did not recall that conversation taking place in Senate Finance.

**REP. MCCANN** said the College of Great Falls asked for general fund dollars to fund their proposal.

**SEN. TESTER** asked if he was advocating removing \$50,000 from the \$100,000 for planning. **REP. MCCANN** said he had not made a motion. He just wanted them to realize that the money should be used for campus planning.

**Substitute Motion:** **SEN. TESTER** moved to **REMOVE \$50,000 FROM THE \$100,000 MASTER PLAN FOR BILLINGS AND PLACE IT INTO THE GREAT FALLS COLLEGE OF TECHNOLOGY.**

**Discussion:**

**REP. MCCANN** asked what the \$50,000 would do. **Mr. O'Connell** told him the money would be used for schematic plans and to get an idea of what could be done for the facility. Billings and Great

Falls were both asking for money. The money would cover approximately 1% of the total costs.

**REP. MCCANN** told the committee the point was the money would be wasted. He asked if **SEN. TESTER** would concur. **SEN. TESTER** told him it was good to know how much money would be spent on a building. He felt more comfortable with a plan.

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**REP. MCCANN** argued that the COT in Billings was 20<sup>th</sup> on the list. The only point to support the amendment would be to equalize Great Falls and Billings.

**SEN. TESTER** declared fairness was not an issue. He said he did not even want to be a part of what the committee had done. He argued the process had not been followed. He withdrew his motion.

**Vote: Motion that HB 5 AS AMENDED BE CONCURRED IN carried 5-1 with Tester voting no.**

**ADJOURNMENT**

Adjournment: 8:00 P.M.

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SEN. BILL TASH, Chairman

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PRUDENCE GILDROY, Secretary

SV/CS/PG